

CANADA AT WAR



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No. 20

JANUARY

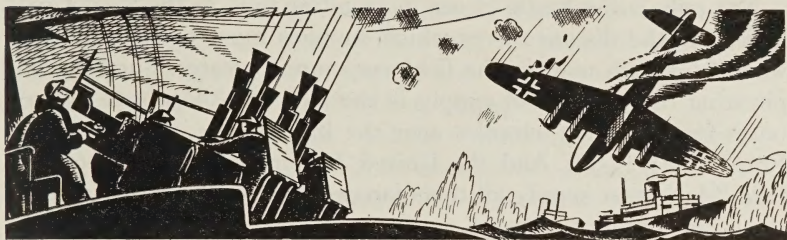
1943

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DECEMBER HIGHLIGHTS

- Dec. 1. Call-up of men for military service moved to National Selective Service. Major-Gen. L. R. LaFleche, Minister of Department of National War Services, elected in Montreal-Outremont riding.
- Dec. 2. Canada and United States exchange notes on post-war planning.
- Dec. 3. Cost-of-living index at Nov. 2 stated to be 118.2, compared with 117.8 at Oct. 1.
- Dec. 4. Finance Minister announces government to reduce retail cost of tea, coffee, milk, and oranges by reduction of duties and taxes and by subsidies.
- Dec. 7. Prime Minister King and President Roosevelt conclude two-day conference at Washington.
Reduction in prices of tea, coffee and oranges goes into effect.
- Dec. 8. Agriculture Minister states more foodstuffs required in 1943 than any other year of war.
- Dec. 10. Prime Minister announces Canada to remove shackles from German prisoners on Dec. 12.
- Dec. 12. Hon. John Bracken elected leader of Progressive-Conservative Party.
- Dec. 15. Married men 19 and 25 made subject to compulsory military service.
- Dec. 16. Rates of pay for certain lower ranks in Canadian Army increased, and allowances for dependents of men in the armed services increased.
Restrictions on sale of beer, wine and spirits and prohibition of advertising of these announced.
- Dec. 17. Rejected draftees of C-1 and C-2 medical categories requested to report back for re-examination.
- Dec. 18. New Mars badge for soldiers qualifying for proficiency pay announced.
- Dec. 19. Under authority of the National Resources Mobilization Act all men subject to call-up for compulsory military training must register by Feb. 1, 1943.
- Dec. 20. Butter rationing announced.
- Dec. 23. Hon. Stuart S. Garson, Provincial Treasurer, named leader of the Manitoba coalition government.
Agriculture Department announces the British Ministry of Food will purchase from Canada in 1943 up to 9,000 long tons of dried egg powder.
Boys of 17 authorized to enlist into active units or formations of the Canadian Army.
- Dec. 26. Finance Minister Ilsley announces Dominion government expenditures for the current fiscal year will approach \$4,500,000,000 instead of \$3,900,000,000 as estimated in the last budget. Canada's revenues for the fiscal year ending March 31, 1943, will be close to \$2,225,000,000 compared with \$2,050,000,000 estimated in June, 1942.
- Dec. 29. During 1942 the United Kingdom received about 25% of Canada's meat supplies, 65% of Canadian cheese production, and about 15% of Canadian egg production, foods administrator announces.
- Dec. 31. Prime Minister King announces Sir Lyman Duff to serve another year as Chief Justice of the Supreme Court of Canada.

C A N A D A A T W A R



The FOURTH FIGHTING SERVICE

"The Merchant Marine on which our seaborne commerce depends is under present conditions virtually an arm of our fighting services, and the provision of merchant seamen, their training, care and protection is essential to the proper conduct of the war, and virtually necessary in keeping open the sea lanes on which the successful outcome of the present conflict so largely depends."

THESE are the sober words of Order-in-Council P.C. 14-3550 of May 19, 1941, placing in perspective the role of thousands of Canadian seamen who are "keeping open the sea lanes." These seamen were fighting many months before their uniformed countrymen. On the first day of war they were in the fight and they have continued to fight in a battle which does not pause for reinforcements or the elements.

In a global war their task is of paramount importance. Weapons must be dispatched regularly to New Guinea, Guadalcanal, Soviet Russia, Britain, to Libya, North Africa and a dozen other world battlefronts. The sea lanes of supply are tenuous and hazardous. The enemy is waging an undersea battle, which for efficiency and brutality is not exceeded on any other front. If the U-boat campaign were successful, as the German High Command hopes it will be, the

United Nations' forces would be made ineffective and defeated for lack of arms and supplies.

Not only is the battle at sea more bitter than in the First Great War, but the distance over which supplies must travel and their weight for each man in the field very much greater. Further complicating the problem of supply is the fact the Allies have no safe ports for unloading supplies near the battlefronts, as they did in France in 1914-18. And the United Nations cannot "live off the land," but must supply all their forces with foodstuffs carried over thousands of miles of ocean.

Canadians Sail the Ships

Nor are two nations with strong anti-submarine forces on the side of the Allies in this war. The powerful navies of Japan and Italy have joined forces with Hitler.

Canada is well represented in the men who are sailing United Nations' merchantmen on the seven seas.

The Canadian Department of Transport has determined that about 38,000 Canadian seamen are serving on vessels of Canadian or foreign registry. Many of them have been lost at sea.

The number serving on vessels of Canadian registry who were missing and presumed to have lost their lives to the end of 1942 was 635. In addition, the personnel of vessels of Canadian registry missing and whose fate had not been definitely determined was 96, bringing total casualties in the Canadian Merchant Navy to 731. These figures do not include casualties among the thousands of Canadian seamen serving on vessels of other than Canadian registry, of which the Department of Transport has no record.

In addition there are 117 seamen known to be prisoners of war in enemy camps.

Seamen's Welfare

The welfare of these men and their dependents is being cared for by the Canadian people. Salary and wages of men in prison camps are continued; the payments allotted to dependents, insurance premiums, etc., are maintained, and a reserve fund is built up for the prisoner awaiting his release.

A pension scheme for officers and men of the Merchant Navy is

in operation, with rates equivalent to those granted personnel of the Royal Canadian Navy. Death pensions have been paid to 123 widows with 118 children, and 120 parents with 13 orphaned children. Disability pensions are being paid to 13 merchant seamen.

Merchant seamen are also compensated for personal effects lost through enemy action. Five hundred and fifty-five of these claims have been paid by the Department of Transport.

Canada has made a large contribution in merchant shipping. Many Canadian vessels have been transferred to the British Admiralty. Shipyards of the nation are producing merchant vessels in growing numbers.

Maintain Manning Pools

To man these new vessels as they are built, and to make up any crew deficiencies in vessels ready to sail in convoy, the Department of Transport has evolved a unique system of manning pools for merchant seamen. They are located at Halifax, Montreal and Vancouver.

These three pools provide accommodation for more than 400,000 men a year, in addition to more than 1,000,000 meals.

While in these pools officers or seamen receive the basic pay of their rank or rating.

Schools for training merchant seamen have been created. At Hubbards, N.S., the St. Margaret's Sea Training School provides a 13-week course for deck ratings. At the Marine Engineering Instructional School at Prescott, Ont., a six-week course is given to engine room ratings.

Recreation Facilities

At both schools lodging and a monthly remuneration at the rate of \$21 for single and \$50 for married men is provided. Upon completion of courses trainees are sent to manning pools, where they receive basic pay while waiting for assignment to a vessel.

Facilities for the welfare of merchant seamen have been extended under the direction of the Director of Merchant Seamen. By arrangement with the Navy League of Canada, seamen's clubs have been established in Halifax, Saint John, Sydney, Louisburg, Three Rivers, Montreal and Vancouver.

WOMEN SPEED THE WAR MACHINE



AS the demands of war have taken more and more of the nation's manhood, women are carrying an increasing share of the burden of Canada at war.

There are approximately 3,970,000 in Canada over the age of 15, and about 1,350,000 of this number are in paying jobs.

There are about 225,000 women working directly or indirectly in war industry, an increase of 45,000 from last September.

The proportion of women thus employed is soaring and Canada looks to women to bring its new and great war industrial machinery to peak output this year.

It has been estimated that 80% of the jobs in industry can be filled by women. Canada does not expect to reach anything near this proportion in industry as a whole, but in some new war plants the percentage of women employees to total employees is already near this mark.

Women's Industrial Army Grows

At Research Enterprises Limited, Leaside, Ont., 36.3% of the employees are women. Small Arms Limited, Long Branch, Ont., employs 62.8% women. Not all these women are girls just out of school, for 25% of them are more than 40 years of age.

At the large John Inglis Company plant in Toronto, making automatic arms, the majority of employees are women.

Many of the women in war factories enter industry without special skill or training and are given training on the job. Others are given pre-employment training at government-sponsored or plant schools.

Enrolment under the War Emergency Training Program of the federal Department of Labour, which offers a wide range of courses, has been increasing rapidly.

More than 21,500 women have enrolled since the training program started in July, 1940, and 16,805 women had completed their courses

by the end of November last year. Most of them have been placed in jobs essential to the war.

In Many Enterprises

War plants also train women at their own schools, giving unskilled workers proficiency in numerous trades and increasing the efficiency of workers already trained and employed.

The use of women is not restricted to a few specialized war plants. They are at work in factories manufacturing guns, explosives, instruments, ships, foodstuffs, and all the necessities of war.

An integral part of Canada's fighting forces are the women in the uniform of one of the three services. They are performing many of the routine jobs necessary in military establishments and making possible the transfer of men to more active duties. Nearly 20,000 of them are in uniform.

There are 500 officers and "Wrens" in the uniform of the Women's Royal Canadian Naval Service and there are about 4,000 applicants awaiting acceptance.

There are 9,000 in the Canadian Women's Army Corps at home and abroad. Objective for March, 1943, is a strength of 15,000.

Nurses Overseas

The Royal Canadian Air Force (Women's Division) has a strength of more than 8,500. It was the first women's service organized in this war and the first to send a contingent abroad.

Many women are serving in the nursing services of the Navy, Army and Air Force.

The Nursing Service of the Royal Canadian Army Medical Corps has enlisted more than 1,400 nurses, more than half of whom are overseas. Another 300 are serving with the South Africa Military Nursing Service.

The R.C.A.F. has enrolled 194 in its Nursing Service, and the Royal Canadian Navy has 80 nurses serving temporarily. Both the R.C.A.M.C. and the R.C.A.F. have enlisted several women doctors.

In other fields women are doing tasks no less important to war activities of the nation.

Great Volunteer Army

Housewives have filled up the ranks of the great volunteer army, and through their activities in the home and in war groups, have helped keep the morale and health of the nation at a high standard.

These volunteer women are behind the government in improving standards of nutrition, supporting salvage campaigns, policing prices, making surveys of housing accommodation in congested areas, bearing the increased difficulties imposed by diminishing foods and goods, rationing, etc.

Farm women are bearing heavier burdens because of war. They work in the field to solve the problem of the missing hired man. They do the arduous chores of the farm household, and through thousands of voluntary rural groups contribute greatly to the nation-wide system of voluntary effort.

Voluntary war organizations receive the support of thousands of women in the city and in business as well as on the farm.

The Canadian Red Cross has about 750,000 women working in various capacities. Since the beginning of the war they have contributed 25,000,000 articles of clothing and comforts, representing 125,000,000 woman-hours. They work in the blood donor clinics, packing food parcels for prisoners of war, and in numerous other capacities.

The Canadian Red Cross

The Canadian Red Cross Corps has enrolled 5,500 women in the Transport Service, the Nursing Auxiliary, the Office Administration section, the Food Administration section, and a few in the University section.

The St. John Ambulance Association has given awards to 650,000 men and women during the 47 years it has functioned in Canada, and more than 274,000 of these have been given since the beginning of 1939. More than half the awards made in the last three years have been to women.

To an important extent the shortages of manpower in clerical, stenographic, bookkeeping and other branches of businesses have been met by the return of married women into business life. Many

have been absorbed by war-expanded departments of government.

There is still a reservoir of womanpower not yet tapped. To determine what this reserve is National Selective Service in September, 1942, conducted a registration of women from 20 to 24 years of age, who were not previously registered with the Unemployment Insurance Commission.

Pool of Womanpower

There were 258,583 women registered in the new survey. Of these 58,635 declared they were willing to do full-time essential war work, and about 23,000 indicated they would be available for part-time work.

Many of these women have subsequently been called up for an interview by National Selective Service. Many have obtained jobs and others have reported they have obtained employment in essential work after the registration date.



"A former president of the United States of America used to tell of a boy who was carrying an even smaller child up a hill.

"Asked whether the heavy burden was not too much for him, the boy answered, 'It's not a burden. It's my brother.'

"So, let us welcome the future in the spirit of brotherhood and thus make the world a place in which, please God, all may dwell together in justice and in peace."

(Abraham Lincoln was the president to whom the King referred.)

His Majesty the King, in a Christmas message broadcast Dec. 25, 1942.



FACTS AND FIGURES

(A record of Canadian achievement in war)



NAVY

AT JANUARY 1, 1943, strength of the Navy was more than 49,000 men operating more than 500 ships. These vessels are of the following types: destroyers, corvettes, auxiliary cruisers, minesweepers, subchasers, patrol vessels, and small craft of various kinds.

At the outbreak of war the service was composed of 1,774 men. There were only 15 vessels in operation, consisting of six destroyers, five minesweepers and other smaller vessels.

The task of the Navy is three-fold: guarding Canadian shores; protecting merchant shipping and co-operating with the sea forces of the United Nations.

Made up entirely of smaller naval craft, the Navy's most important duty has been the conveying of merchant vessels across the Atlantic. It has been 99% successful in this task. It has borne as much as 47% of the

burden of the convoy work, aided in guarding 12,000 vessels, carrying 65,000,000 tons of cargo to the United Kingdom.

The Canadian Navy has now nearly one half the number of men the Royal Navy had at the beginning of war.

Seventeen R.C.N. ships participated in the North African campaign. Five corvettes were with the United States forces in the Aleutians.

More than 1,100 officers and ratings of the R.C.N. are serving with the R.N. on the seven seas. They have been in every British naval engagement of the war.

Within six days of Canada's entry into the war the first convoy of merchant vessels left Canada for Britain. Since that time a steady flow of goods has been passing over this bridge of ships.

Many hundreds of persons have been rescued at sea by the Canadian Navy. In December

of 1942 the corvette H.M.C.S. *Morden* brought 194 men, women and children into port, the entire crew and passenger list of a Canadian merchant vessel torpedoed in the Atlantic. Early in 1941 a Canadian destroyer helped rescue 857 survivors of the *Arandora Star* after the liner had been torpedoed.

Converted ocean liners and luxury yachts now fly the ensign of the R.C.N. Both are performing important duties.

In patrol duty in the Southern Pacific, H.M.C.S. *Prince Robert*, a former luxury liner turned into an auxiliary cruiser, intercepted a large German merchantman, the *Weser*, and brought her to port for use by the Allies.

An auxiliary vessel, the *Bras D'Or*, captured the *Capo Noli*, an Italian merchant vessel, shortly after Italy entered the war.

An auxiliary cruiser, H.M.C.S. *Prince Henry*, caused two German vessels, the *Muenchen* and *Hermonihis*, to scuttle themselves in the South Pacific.

Operations of the Navy are strict secrets. Occasionally, however, secrecy is relaxed to reveal a successful action against Axis submarines. Some of the vessels

which have registered successes against submarines are:

Destroyer H.M.C.S. Assiniboine.

Corvettes H.M.C.S. Chambly and H.M.C.S. Moose Jaw.

Corvette H.M.C.S. Oakville.

Destroyer H.M.C.S. Skeena and Corvette H.M.C.S. Wetaskiwin.

Destroyer H.M.C.S. St. Croix.

Losses of the service in ships and where lost, follow:

Destroyers

Fraser, Bay of Biscay.

Margaree, Mid-Atlantic.

Ottawa, Mid-Atlantic.

Minesweeper

Bras D'Or, Gulf of St. Lawrence.

Patrol Vessels

Otter, Coast of Nova Scotia.

Raccoon, Western Atlantic.

Corvettes

Levis, Western Atlantic.

Windflower, Western Atlantic.

Spikenard, South of Newfoundland.

Charlottetown, Gulf of St. Lawrence.

Officers and men of the Canadian

Navy lost through enemy action since the start of war to the end of 1942 totalled 721.

The following decorations were awarded to Navy personnel to January 2, 1943:

Companion of the Order of the Bath.....	1
Distinguished Service Order.....	3
Order of the British Empire.....	20
Distinguished Service Cross.....	33
Distinguished Service Cross and Bar.....	1
Distinguished Service Medal.....	21
Conspicuous Gallantry Medal.....	1
George Medal.....	1
George Medal and Bar.....	2
Medal of the Order of the British Empire....	14
Cross of Valour (Polish).....	4
Albert Medal.....	1
Mentioned in Despatches.....	149
Commendations.....	13
Testimonial.....	1
King's Dirk.....	1

The Navy Minister announced in December that 14 United Nations ships had been sunk in the St. Lawrence and six ships were lost to submarines in Cabot Strait and the Strait of Belle Isle.

The Canadian Navy is being rapidly augmented by the output of Canadian and British shipyards. Four Tribal class destroyers are being commissioned in Britain and another two are being built in Canada. Acquisi-

tion of these more powerful and larger units will greatly increase the offensive power of the force.

The Fishermen's Reserve, composed of West Coast fishermen, has been doing invaluable work since 1939 in patrolling the waters of the Pacific. These fishermen brought with them into service their sturdy fishing craft. Since that time they have been guarding 5,560 miles of Canada's West Coast, made up of innumerable islands and bays.

There are three personnel components of the Canadian Navy: the Royal Canadian Navy, the Royal Canadian Naval Reserve, and the Royal Canadian Naval Volunteer Reserve. The R.C.N. is the permanent core of the organization. The R.C.N.R. is composed of persons who have followed the sea as a profession. The R.C.N.V.R. is made up of civilians who are employed in occupations not connected with the sea, but who are given training to serve afloat in an emergency.

Approximately 80% of the present Canadian Navy are members of the R.C.N.V.R. They have entered the Navy for the duration through one of the 18 R.C.N.V.R. divisions at Calgary, Charlottetown, Edmonton, Hamilton, Kingston, London, Montreal (2), Ottawa, Port Arthur, Quebec, Regina, St. John, Saskatoon, Toronto, Vancouver, Windsor and Winnipeg.

After receiving training at R.C.N.V.R. divisions seamen are sent to coastal centres for more advanced training. Special technical training is given at other centres. There are two training establishments and numerous technical training centres.

While only 32 years old, the R.C.N. has inherited the centuries of experience, training and tradition of the Royal Navy.

The Royal Canadian Navy was formed in 1910. Two cruisers, the *Niobe* and *Rainbow*, were acquired from Great Britain and dockyards at Halifax and Esquimalt were transferred to the new force.

At the start of the First World War the Canadian Navy was composed of the two over-age cruisers and an antiquated schooner. Many small vessels were purchased and by 1918 the Navy was composed of 140 ships. They were used principally for minesweeping and anti-submarine patrol.

By 1918, 5,978 officers and ratings were serving in the R.C.N., but with peace the force declined in 1920 to 1,048. In 1922, carried along with the tide of disarmament, Canada reduced its naval strength to 366 officers and men.

The Canadian Naval College was opened in Halifax in 1911 to provide officers for the new service. It was closed in 1922, but reopened on October 21, 1942.

Cadets

The Sea Cadets organization prepares boys between the ages of 15 and 18 for service in the Navy.

They now number over 5,000, and it is expected by next June membership will have grown to

10,000. More than 4,000 former Sea Cadets have joined either the Navy or the Merchant Marine since the start of war.

His Majesty the King has recently consented to become Admiral of the Sea Cadets.

ARMY

Active Army.....	approximately	400,000
Overseas.....	"	180,000
In Canada.....	"	210,000
Growth during 1942.....	"	120,000
Reserve Army.....	"	200,000

THE CANADIAN ARMY in Britain, which for more than three years has been preparing for the offensive against the Axis, consists of two Army Corps: one corps of three infantry divisions, and the other of two armoured divisions.

Canadian soldiers have taken part in raids on the European coast. Apart from the Dieppe engagement the Canadian raid on Spitzbergen was the largest raid of this nature.

In Canada the 6th, 7th and 8th Divisions are completing their training on the pattern of the overseas force, and at the same

time filling an urgent protective need against possible sea and air attacks.

Canadian soldiers are serving or have served in Newfoundland, Iceland, the West Indies and Bermuda. Canadian engineering units have built roads in Britain and have worked on the fortifications of Gibraltar.

All Canadian Army training is closely co-ordinated with that of Britain and the United States. Training in Canada is integrated with training in Britain and there is an extensive two-way exchange of officers between the Canadian

Army in Britain and the Canadian Army in Canada.

Training centre output in Canada during 1942 increased more than 44% over that of the previous year.

Training of Canadian recruits is carried out at two types of centres, basic and advanced. At one of 41 basic training centres the recruit is taught the fundamentals of soldiering: discipline, rifle drill, the use of modern infantry weapons, map reading and field manoeuvre. When the soldier from a basic training centre moves to one of 25 centres he learns the art of his particular arm: artillery, engineers, signals, or some other branch of the service.

Training of troops is being brought to completion so far as practicable in Canada so that when they are sent abroad they will be prepared for actual combat.

There are four centres training officers for the Canadian Army.

Combined training with the Air Force and Navy is receiving attention.

Numerous new coastal artillery batteries have been constructed and manned this year in Canada.

One new formation is the Pacific Coast Militia Rangers, distributed on the West Coast to meet enemy raids and engage them until the arrival of Army mobile units.

At a West Coast training centre Canadian soldiers are taught the latest developments in commando tactics. When the course is completed they are sent back to their units to conduct instructional schools.

Reserve units of the Army are formed in 11 brigade groups across the Dominion, equivalent to four divisions.

A brigade group in each of 11 military districts is under the command of the full time commander of the Active Army. The most modern weapons are provided these Reserve units and they are given regular weekly training periods, as well as an annual training period in camp.

Canada's pre-war army of 4,500 was maintained for the primary purpose of training reserve troops. The great wartime expansion of the army was built on this small nucleus.

The First Canadian Division landed in Great Britain on De-

cember 17, 1939. After Dunkirk these troops were the only adequately equipped troops left to meet an invasion.

Before French resistance collapsed in 1940 Canadian troops had actually landed in France ready to go into battle but were recalled without going into action.

Canadians have taken part in two land engagements in this war; at Dieppe on August 19, 1942, and Hong Kong on December 7, 1941. Canadian forces formed five-sixths of the United Nations troops at Dieppe. Of the Canadian soldiers engaged, more than 3,350 were killed, wounded or made prisoners of war.

There were nearly 2,000 Canadian soldiers at Hong Kong. All were killed or taken prisoners when the fortress fell on December 25, 1941.

Canada's first fighting man to receive the Victoria Cross in this war was Lt.-Col. C. C. Merritt, who was awarded the Empire's most coveted decoration for his part in the Dieppe raid.

The Canadian Army which

has stood guard over the British Isles since 1940 is said to be the most highly mechanized and hardest-hitting fighting force of its size in the world.

The Veterans Guard of Canada is composed of men who served with the armed forces of the Empire during the First Great War and are not over 55 years of age. These men are members of the Active Army, liable to service anywhere, at home or abroad. More than 10,000 veterans are now in this service.

Guarding prisoners of war is one of their major tasks. Also, they protect important buildings and vital defence points in Canada, the United Kingdom, Newfoundland, and the West Indies.

Members of the Veterans Guard take turns at overseas service, being replaced by other members of the Guard at intervals of from six months to a year.

Cadets

Membership in the Royal Canadian Army Cadets has grown from 76,000 in 1939 to 96,000 in 1942.

The syllabus of training of

Army Cadets has been revised following the announcement that His Majesty the King has become Colonel-in-Chief of the organization. Instruction will be given in small arms, signalling and skiing. Camps for summer months have been organized.

Cadets will be taught citizenship, civilian protection, health education, physical training, map reading, basic military training, radio, and elementary military subjects such as fieldcraft, campcraft, woodcraft and field engineering.

Senior Cadets must be 15 years of age at September 1 of the current school year. Juniors are admitted from 12 to 14.

AIR FORCE

THE ROYAL CANADIAN AIR FORCE has grown from a pre-war strength of 4,000 to more than 150,000.

Functions of the R.C.A.F. are:

(1) Operation of the British Commonwealth Air Training Plan, which turns out aircrews for the Royal Air Force, the Royal Australian Air Force, the Royal New Zealand Air Force, as well as the Royal Canadian Air Force. More than 83,000

members of the R.C.A.F. are engaged in the training plan.

(2) The air defence of Canada.

(3) Co-operation with Britain and the United States in convoy protection.

(4) Fighting overseas with the Royal Air Force.

A majority of R.C.A.F. personnel overseas is serving with R.A.F. squadrons. R.A.F. units in every part of the world include Canadian personnel.

Twenty-five R.C.A.F. squadrons are serving in the United Kingdom and elsewhere with the Royal Air Force. These squadrons are under Canadian command and strategically co-ordinated with the R.A.F.

R.C.A.F. squadrons include heavy and medium bomber, coastal reconnaissance, night fighter, fighter and army co-operation.

An R.C.A.F. bomber group has been formed in Britain and is staffed by senior R.C.A.F. officers. An R.C.A.F. Catalina flying boat squadron is stationed in Ceylon and a fighter squadron is serving in the Middle East.

Canadian airmen have served or are serving with the Royal

Air Force in Russia, Burma, India, Egypt, Libya, Malta, South Africa, Iceland, Bermuda, Iran, Iraq, Syria, Java, Madagascar, France, Norway and at sea with the Fleet Air Arm.

Canadian squadrons and R.C. A.F. personnel have participated in all the big raids on Germany and German-occupied territory. More than 1,000 Canadians took part in the 1,000-plane raid on Cologne, or one-sixth of the flying personnel involved.

Canada sent a squadron overseas which fought in the Battle of Britain. In addition, there was an "all-Canadian" fighter squadron of the R.A.F. which fought in the air battle.

More than 2,000 Canadians were part of the aerial armada which played such an important part in the defeat of the Axis forces in Egypt and Libya.

Headquarters of an Army Co-operation Wing of the R.C.A.F. has been set up at Canadian Army Headquarters in England.

Canadians of Army Co-operation squadrons have gained particular fame from their prowess as "engine busters". One such

squadron "shot up" seven locomotives in one day in November, to make a total of twenty-four engines in three weeks.

The Army and Air Force in England exchange personnel for periods of training, in order that each branch of the service will be familiar with the operation of the other.

Members of the R.C.A.F. have received the following awards:

George Cross.....	3
Distinguished Service Order	3
Distinguished Flying Cross	202
Bar to Distinguished Flying Cross.....	14
Distinguished Flying Medal	76
Bar to Distinguished Flying Medal.....	1
Air Force Cross.....	26
Air Force Medal.....	6

The B.C.A.T.P.

The King has described the British Commonwealth Air Training Plan as "perhaps the most striking feature in the magnificent effort which Canada has made in so many directions towards winning the war."

President Roosevelt has described it as "one of the grand conceptions of the war, grand both in design and execution."

The British Commonwealth Air Training Plan is a joint enterprise of the Canadian, Australian, New Zealand and United Kingdom Governments and trains airmen from nearly all parts of the British Commonwealth of Nations. The Plan itself is essentially Canadian and it is administered by the R.C.A.F. 60% of the graduates are Canadians. Half the cost of the plan is borne by Canada.

Under the original agreement Canada paid more than \$600,000,000 of the total \$900,000,000. This original agreement was intended to continue until March 1943, but a new agreement was signed in June, 1942. It became effective July 1, 1942, and operates to March 31, 1945.

Under the agreement the Plan is considerably enlarged. It will cost \$1,500,000,000, 50% of which will be paid by Canada. The United Kingdom will pay the remaining 50%, less deduction representing payments made by New Zealand and Australia for the cost of training aircrew.

From the schools of the B.C. A.T.P. comes an ever-growing proportion of the aircrew required to man the planes on the

fighting fronts. Every single day in Canada men under training fly more than 2,000,000 miles.

If the paved runways of the Plan's flying stations were laid end to end they would form a standard width highway long enough to run between Ottawa and Winnipeg, New York and Des Moines, or cover more than half the new Alaska highway.

Scattered between stations all across the Dominion, the buildings of the Plan are the equivalent of about 110 good-sized towns and villages, complete with all facilities for working, living, medical care and entertainment.

The agreement under which the Plan was started was signed in December, 1939. According to schedule the last school was to be opened in May, 1942. Beating the time limit by many months, the first school under the original plan was opened in December, 1941. The third anniversary of the plan was marked December 17.

From the St. Thomas technical station more than 20,000 aero engine and airplane mechanics have been graduated.

INTAKE INTO THE ARMED FORCES

TO OCTOBER 31, 1942

Military District	Male Population 19 to 45	Enlistments		Total	Enlistments to Male Pop. %	N.R.M.A. Enlistments	Total Enlistments	"R" Enlisted	Net Total Population	Net to Male %
		R.C.N.	Army	R.C.A.F.						
1	147,800	3,581	30,486	10,413	44,480	7,179	51,659	1,947	49,712	33.6
2	408,700	7,550	89,189	37,503	134,242	14,261	148,503	3,385	145,118	35.5
3	150,000	3,477	40,198	9,912	53,587	5,788	59,375	1,937	57,438	38.3
4	423,800	4,920	48,069	14,199	67,188	20,231	87,419	5,453	81,966	19.3
5	214,300	918	17,116	2,620	20,654	8,191	28,845	2,564	26,281	12.3
6	118,200	6,632	32,939	5,261	44,832	6,336	51,168	2,137	49,031	41.5
7	80,300	1,222	22,029	5,120	28,371	4,411	32,782	1,429	31,353	39.0
10	179,700	4,831	35,061	15,756	55,648	7,541	63,189	2,284	60,905	33.9
11	155,100	6,689	33,604	13,697	53,990	5,749	59,739	3,289	56,450	36.4
12	177,200	2,954	29,606	15,543	48,103	7,987	56,090	2,658	53,432	30.2
13	160,700	3,574	33,062	14,297	50,993	6,475	57,408	2,049	55,359	34.4
Unallotted		26	523	14,021	14,570		16,290		16,290	
Total	2,215,800	46,374	411,882	158,342	616,598	27.9	94,149	29,132	681,611	30.8

FIRST GREAT WAR

Enlisted in C.E.F. from start of war to Sept. 30, 1917.....

Enlisted in C.E.F. from start of war to Dec. 31, 1917.....

Voluntary enlistments during war period.....

Men drafted during war period.....

Total taken on strength..

439,671

458,533

18,852

93,710

619,636

AIRMEN

3,960 men of the C.E.F. transferred to one of the British flying services overseas during 1914-18.

1,389 went from Canada to join the flying services in Britain.

10,010 Cadets enlisted in Canada.

7,453 mechanics enlisted in Canada.

18,852

SAILORS

8,826 men and officers were taken on strength of R.C.N. and R.C.N.V.R. during the war.

Cadets

From Canada's Air Cadets will come many of her future flyers. More than 20,000 boys are enrolled in 240 Air Cadet Squadrons. Strength of the Cadets will expand to 35,000 within the next few months.

For Cadets who attain a satisfactory standard in training, summer camps are provided. Boys who join the Air Cadets must pass an examination similar to that set up for aircrew duties in the R.C.A.F. Equipment is provided by the R.C.A.F. Training is given in navigation, map reading, aircraft recognition, signalling, target shooting, first aid work and foot drill.

WOMEN

NEARLY TWENTY-THREE PERCENT of industrial workers are women, according to the Dominion Bureau of Statistics.

There are 3,970,000 women over the age of 15 in Canada, and of these 1,350,000 are employed in paying jobs. It is estimated that about 3,500,000 women are contributing by various means to Canadian war activities.

Of more than 1,000,000 persons employed directly or indirectly on war production 225,000 are women.

The majority of employees in the John Inglis Company plant, making Bren, Browning and Boys anti-tank guns, are women.

In Small Arms, Limited, at Long Branch, Ontario, 62.8% of the employees are women.

Women comprise 36.3% of the employees in Research Enterprises Limited, Leaside, Ontario, and 37.6% of these women are married.

The proportion of women taking industrial training under the War Emergency Training Program of the federal Department of Labour has been growing rapidly.

Since the program was inaugurated in July, 1940, more than 21,500 women have enrolled. More than 16,800 women have completed training.

There are 87 centres giving full-time pre-employment industrial training. Commencing April 1, 1942, training was begun within industry itself and 59 plant schools have been approved. Close to 2,000 women have completed training in plant schools. Women make up more than

40% of the current full-time enrolment in the pre-employment training centres, contrasted with 17% in the fiscal year 1941-42.

The Dominion Government, by order-in-council passed July 20, 1942, made provision for the establishment of day nurseries. Child care facilities are being maintained on an equal-cost basis. To date Ontario and Quebec have signed agreements with the Dominion Government.

There are more than 1,400 nurses serving with the Nursing Service of the Royal Canadian Army Medical Corps. More than half that number are overseas and 300 are serving with the South Africa Military Nursing Service. There are 194 nurses enrolled in the Royal Canadian Air Force Nursing Service, 175 in Canada, nine overseas, and 10 in Newfoundland. The Royal Canadian Navy has 80 nurses serving temporarily since December, 1941.

The Women's Royal Canadian Naval Service was formed in June, 1942; has enlisted about 500 officers and "Wrens" and expects to reach a strength of about 3,000.

The Canadian Women's Army Corps was organized in September,

1941. There were 9,000 women serving at January 1, 1943. Members of the C.W.A.C. are engaged in more than 50 trades. They are serving in Britain and the United States in addition to Canada.

The Royal Canadian Air Force (Women's Division) was the first women's service organized in this war to release men for active duties. Established July 2, 1941, the service became an integral part of the R.C.A.F., in February, 1942. It was the first service to send a contingent overseas. At January 1, 1943, there were more than 8,500 women in the R. C. A. F. (W. D.). A member may enrol in any of the 43 trades.

Largest of the volunteer groups, the Canadian Red Cross Society has about 750,000 women working in more than 10,000 groups throughout Canada. Since the beginning of the war women have contributed more than 125,000,000 articles to the Red Cross, their work representing about 125,000,000 hours.

Voluntary war work is channeled through 5,000 groups in Canada, many of which have set up war committees.

MUNITIONS

Annual peak production rate to be reached in 1943.....	\$3,700,000,000
War production in 1942.....	2,600,000,000
“ “ “ 1941.....	1,200,000,000
Percentage increase.....	117%
Plants, machinery and defence projects outlay.	1,000,000,000
Orders placed in Canada.....	6,000,000,000
Equipment and materials delivered.....	3,000,000,000
Metals, foodstuffs, timber, etc., exported to United Nations.....	1,500,000,000
Value of munitions and other war materials exported in First Great War....	1,002,672,413

Following is a comparison of the production of war manufactures in 1942 and 1941 and the percentage increase during the year:

	1942 In Millions of Dollars	1941 In Millions of Dollars	Increase %
Ships (Merchant and Naval including repairs).....	259	91	185
Aircraft (including overhaul) ..	268	104	158
Mechanical Transport.....	401	206	95
Guns and Small Arms.....	227	21	981
Shells and Bombs.....	214	88	143
Chemicals and Explosives.....	111	55	102
Tanks and Armoured Vehicles	201	21	857
Small Arms Ammunition.....	49	16	206
Instruments and Communications Equipment.....	145.5	12.3	1083

Canadian war supplies are being used on every battlefield. They have been allocated as follows:

30% Canadian forces at home and abroad

50% United Kingdom or British combat areas and to Russia

20% The United States, China, Australia and the Pacific theatres of war.

During the last three years Canada has built up a new production capacity to a value of more than \$1,000,000,000, and peacetime uses can be found for 90% of this capacity.

In 1939 Canada's shipbuilding output amounted to only 4,500 tons. In 1942, 900,000 tons of cargo shipping alone were built in Canada. This does not take

into account an extensive naval program. Total of orders placed with Canadian shipbuilding organizations is estimated at \$1,000,000,000.

During the first quarter of 1940, 14 major shipyards and 14 small boatyards were engaged in the construction of naval vessels and small boats. Today nineteen major shipyards and 58 smaller boatyards are building ships. These yards are still being expanded.

Since the beginning of the war Canada has launched close to 300 combat ships, more than 100 cargo vessels and 1,100 smaller craft ranging from lifeboats to motor torpedo boats. Nine different types of larger naval vessels and a great variety of smaller craft are being constructed. More than 140 corvettes and minesweepers have been produced.

The civilian aircraft industry which employed fewer than 1,000 workers before the war now employs more than 75,000 men and women. This industry which once turned out 40 planes a year now turns out hundreds of planes of all types every month.

Before the war Canada pro-

duced a few light training planes. Now such famous fighting planes as the DeHaviland Mosquito fighter-bomber, the giant Lancaster four-motored bomber, and the Curtiss "Helldiver", the latest and best of the dive bombers, are being produced in Canada.

Canada's aircraft industry now provides not only all the planes required for the vast Commonwealth Air Training Plan and most of the service planes needed for the defence of Canada, but is building an impressive array of first line combat planes for both Great Britain and the United States.

Canada's overhaul and repair program has itself developed into a major industry. With the expansion of the R.C.A.F. and the growth of the Air Training Plan, aircraft manufacture and overhaul are being carried out in some 30 plants of all types strategically located across the Dominion by men and women numbered in the thousands.

During 1942 Canada produced approximately 215,000 mechanized vehicles. One of these units consumes approximately twice the material and labor used on an

ordinary commercial vehicle, so that 1942 output is practically equivalent to 430,000 commercial trucks, as against an average of less than 40,000 a year for the 10 years prior to the war.

Almost all the mechanical transport being used by the British 8th Army in Egypt and Libya was made in Canada.

The chemicals and explosives program, built on a peacetime industry, is one of the Dominion's major industrial contributions to the war. Capital expenditures of \$125 millions have been made on plant expansion and new construction. The industry employs more than 50,000 workers.

The most powerful explosive of the war is being made in Canada by a process developed in Great Britain.

More than 2,000,000 rounds of heavy ammunition are produced in Canada every month. There are 28 types of ammunition of 15 different calibres.

Output of small arms ammunition, such as rifle and machine gun bullets, has reached nearly a billion and a half rounds a year.

This is double production for 1941 and when capacity is reached during 1943 the output will be doubled again. 22 types of nine calibres are produced, with the trend running to more incendiaries and more armour-piercing types. More small arms ammunition is now produced in one working shift than Canadian capacity could have produced in two months at the outbreak of war.

In September, 1939, only one type of service ammunition was being made in Canada. Where 500 workers were once employed in one plant, there are now 30,000 workers in two government arsenals and numerous factories being operated for the government by private interests.

Weapons such as Bren guns, other automatic guns and rifles are being made in Canada at a rate of better than one every minute, seven days a week, twenty-four hours a day.

Production of Bren machine guns is being doubled and will reach capacity of several thousand units a month early in 1943. Output of Sten machine carbine is being quadrupled to equal the volume of Bren gun output.

Canada has the largest small arms plant on this continent and one of the largest in the world. It has the second largest tank arsenal on the continent.

Canada has supplied Russia with tanks to the value of \$50,000,000, and other war supplies to the value of another \$50,000,000.

Canada is producing 10 types of guns, including the twenty-five pounder so successfully used in Libya, two types of anti-air-craft guns, two types of anti-tank guns and four types of naval guns.

Synthetic rubber factories are being set up in Canada, and the first of these will be capable of producing the needs of the armed forces by September, 1943.

Canadian clothing in considerable quantities is helping to keep the Soviet armies warm. Canadian artillery, Bren guns, small arms and ammunition have been supplied to China. Motor equipment, arms and ammunition from Canada are being used in Australia and in the Southwest Pacific.

Since the war began Canada has developed a mercury mine which is the only large one of

its kind in the British Empire. By the middle of 1942 this mine was producing enough to satisfy all Canadian war and essential requirements, and to provide exports to the United States and the United Kingdom.

In nickel, copper, lead and zinc, Canada's production is far in excess of domestic requirements. Consumption accounts for only 30% of the output. The rest is exported to meet the needs of the United Nations.

Canada produces 95% of all the nickel and 40% of all the aluminum used by the United Nations. Production of these has been enormously increased during the past three years. Canada now has the largest aluminum plant in the world. This single plant has a capacity exceeding world production in 1939.

Canada's mineral production reached an all-time high at \$564,200,000 in 1942, an increase of almost \$4,000,000 from 1941, despite a drop of \$20,000,000 in gold production.

Canada is now practically self-sustaining in alloy steels of types used for guns, armour-plate and machine tools.

FOOD

AGRICULTURE is the most important single industry of Canada.

Under 1942-43 contracts, Canada has made commitments to supply Britain with:

Cheese

125,000,000 pounds,

Evaporated milk

32,064,000 one-pound tins,

Bacon

675,000,000 pounds.

and in the calendar year 1943 with:

Eggs (Dried) up to 9,000 long tons, or about 61,000,000 dozens.

In 1942 Canada shipped 65% of cheese and 15% of egg production to Britain. In 1942 cheese production was more than 60% higher than in 1939.

Britain received 75% of inspected hog slaughterings in 1942. This constituted 25% of the Canadian meat supply for the year. One week's shipments of bacon and pork products are

now equal to a year's exports ten years ago. These products are the finest quality obtainable.

The entire 1942 catch of salmon and herring was shipped to Britain.

Vast quantities of Canadian fruits, vegetables, honey and cereals have been shipped overseas. Only the most essential foods are sent to Britain and these are in the most concentrated form.

The Canadian Government is conducting research into the dehydration of fruits and vegetables with considerable success. Food in this form will save valuable shipping space, and keep longer.

The 1942 wheat crop of 608,000,000 bushels is the largest ever produced in Canada. The Dominion has filled all deficiencies in the United Kingdom supply of wheat and flour.

15,000 tons of Canadian wheat go to famine-stricken Greece each month as a gift of the Canadian people.

FINANCE

OVER FORTY PERCENT of Canada's economic energies have been mobilized into wartime activities.

In the year ended March 31, 1943, it is expected the Dominion Government will spend \$4,500,000,000 instead of \$3,900,000,000 anticipated in the budget. This outlay is equal to \$12,330,000 daily, and is equivalent to \$391 for every man,

woman and child in the nation.

War cost Canada \$4,775,000,000 to November 30, 1942, including \$909,000,000 of the \$1,000,000,000 gift to Britain, but the total does not include loans or repatriations. This is equal to \$415 per capita.

This expenditure is greater than the pre-war national income, which was: \$247 per capita in the year 1933; \$342 in 1938, and \$402 in 1940.

To March 31, 1943, the Dominion Government will spend:

1939-40 (7 months war)	Non-War	War	Total
1940-41	\$562,503,000	\$118,291,000	\$680,794,000
1941-42	497,556,000	752,045,000	1,249,601,000
(estimated)	543,413,000	1,351,553,000	1,894,966,000
Total to March 31, 1942	1,603,472,000	2,221,889,000	3,825,361,000
1942-43 (estimated)			4,500,000,000
Total war and non-war			\$8,325,361,000

In the First Great War from 1914 to 1920 Canada spent \$1,670,406,213 for war, including the cost of demobilization.

Dominion Government expenditures in 1942-43 will be nine times as great as the annual average of expenditures in the 10 years immediately preceding the outbreak of war.

From the beginning of war to March 31, 1942, financial assistance extended by the Canadian Government to the United Kingdom totalled \$1,512,700,000. During 1942 an outright gift of \$1,000,000,000 in munitions, raw materials and foodstuffs was made by the Canadian people to Britain. Outstanding indebtedness of the past was consolidated

and extended as an interest-free loan for the duration of the war. Canadians are lending money to

the government by buying bonds and certificates. They have subscribed to 5 war loans as follows:

Date of Issue	Total	New Money	Conversion	Number of
		Millions of Dollars		Subscribers
January, 1940	\$250	\$200	\$50	178,000
September, 1940	325	300	25	151,000
June, 1941	837	730	107	968,000
February, 1942	998	846	152	1,681,000
October, 1942	991	991	...	2,040,000

Because of purchases of Canadian goods by the United States under the Hyde Park Declaration, Canada's exchange position in 1942 has been relatively satisfactory.

Substantial Canadian imports from the United States for war purposes are now paid to a large extent by sales of Canadian war supplies to the United States. Canada does not use lend-lease accommodation utilized by other United Nations.

There has been no relaxation, however, in foreign exchange control, which prohibits Canadians travelling in the United States. The need for United States currency for purchase from the United States of vital war goods remains great.

Four budgets have been presented since war began: in September, 1939; June, 1940; April, 1941; June, 1942.

Each of these budgets increas-

ed the burden of taxes borne by the Canadian people.

Canadians now have deducted from salary or wage cheques income taxes and a compulsory savings portion, which is refundable after the war with interest at 2%.

A comparison of total taxes, including the refundable portion, a single man and a married man with two children pay in Canada, the United States and the United Kingdom follows:

INCOME	SINGLE	MARRIED 2 Children
\$700		
Canada	40
United States	42	7
United Kingdom	89
\$1,000		
Canada	172
United States	113	25
United Kingdom	177
\$1,500		
Canada	367	49
United States	233	52
United Kingdom	369	91

\$2,500		
Canada	826	435
United States	473	206
United Kingdom	819	463

\$4,000		
Canada	1,594	1,148
United States	877	569
United Kingdom	1,494	1,138

\$10,000		
Canada	5,112	4,546
United States	2,914	2,439
United Kingdom	4,470	4,114

\$20,000		
Canada	11,829	11,063
United States	7,896	7,168
United Kingdom	11,024	10,668

\$30,000		
Canada	19,196	18,230
United States	14,170	13,316
United Kingdom	18,564	18,208

Minimum rate of tax on corporations is 40% of profits. Rate of excess profits tax is 100%, of which 20% is refundable after the war.

CONTROLS

TAXATION AND BORROWING from the public have been the main instruments of government control over civilian spending since the start of war, although non-financial controls have multiplied and increased in importance with the steady growth of pressure on the Dominion's resources of men, materials and machines.

Mobilization of Canada's re-

sources for war and the fight against inflationary developments have necessitated great increases in taxation and borrowing, as well as the use of non-financial controls such as price control, stabilization of wages and salaries, priorities, rationing, and foreign exchange control.

By the Armistice in World War I prices had risen 57.6 per cent above the pre-war level.

In World War II the December, 1941, cost-of-living index showed a percentage advance of 14.9 above pre-war level. At that time the Wartime Prices and Trade Board, which until then had been applying selective price controls, introduced an over-all price ceiling. The ceiling was the level of retail prices prevailing in the period between September 15 to October 11, 1941. (Certain products, such as perishable commodities, were exempted from the price regulation.) The November, 1942, index, after 12 months of price ceiling, showed a cost-of-living advance of 2.2%.

In order to control volume of purchasing power, as well as prices, both of which would have led to inflation, wages and sal-

aries in Canada were "frozen" late in 1941. To adjust wages to wartime price levels, however, every employer, except in a few exempted classes, must pay a bonus to employees below the rank of foreman for each point the official cost-of-living index rises above the level of October, 1941. The bonus payment is as follows: 25c for each point rise in the cost of living for workers receiving \$25 or more per week; one per cent of the basic weekly wage rates for men under 21 and women workers earning less than \$25 a week.

The coupon system of rationing was established in Canada in order to ensure that the goods which are scarce will be fairly distributed. Each Canadian is entitled to the following rations:

Butter....half pound weekly.

Tea.....one ounce or four ounces of coffee weekly.

Sugar....half a pound weekly (plus special seasonal allowance to housewives for canning).

Gasoline..Rationed according to the requirements of the motorist in relation to war essentiality of duties.

To stabilize the cost-of-living, prices of certain food commodities were lowered in December, 1942, by reduction of duties and taxes and payment of subsidies. The retail price of tea was reduced by 10c lb.; coffee was reduced by 4c lb.; retail price of milk by 2c quart and the retail price of oranges was lowered and the W.P.T.B. is investigating the retail prices of beef.

Drastic restrictions have been placed on instalment sales by retail stores and on operations of lending institutions in respect to instalment credit transactions. Limits have been set on the period over which instalment payments are extended and down payments for a wide range of consumer goods are prescribed. Credit advertising is controlled.

The War Exchange Tax (June 25, 1940) provided a ten per cent tax on the value for duty of all imports from non-Empire countries. The War Exchange Conservation Act (December 2, 1940), prohibited the import of a long list of consumption goods regarded as non-essential or as obtainable from within the sterling area. Certain products were made subject to import license.

Higher excise taxes were levied on durable consumer goods. These controls were applied to preserve United States dollars (for war purchases), and to facilitate war production. To this end, officials of the Department of National Revenue, who administer the War Exchange Conservation Act, maintain close contact with Controllers and Administrators regarding export requirements. To enable the retail price ceiling to be maintained, the Commodity Prices Stabilization Corporation provided assistance, where necessary, either directly by subsidies or by reductions in duties and taxes.

Permits for the export of Canadian materials are issued by the Export Permit Branch, in the Department of Trade and Commerce. Controllers and Administrators consider applications for export permits from the point of view of supply for Canada and her allies war requirements, and for Canada's civil requirements. The applications, when approved, are then submitted to the Export Permit Branch who may grant it.

On December 16, 1942, the Prime Minister in a coast-to-

coast radio address announced the following measures concerning the liquor trade:

(1) Amount of beverage alcohol released from bond during the year beginning November 1, 1942, to be reduced by the following percentages, compared with the preceding 12 months: Beer, 10%; Wine, 20%; Spirits, 30%.

(2) Prohibition of liquor advertising for the duration of the war.

(3) Reduction in the alcoholic content of all distilled spirits to at least 30% underproof, effective as soon as stocks now packaged are exhausted.

(4) Prohibition against fortification of wine with distilled spirits.

(5) A request was made to provincial governments to shorten hours of sale to at most eight hours a day.

MANPOWER

BETWEEN 20% AND 25% of all Canadians of military age, 18 to 45, are under arms.

Responsibility for mobilizing and allocating all manpower in Canada rests with National Selec-

tive Service, under the Department of Labour. All departments concerned, such as the Department of Munitions and Supply, Agriculture and the armed forces, are co-operating. National Selective Services is also responsible for the call-up of men for compulsory military training.

Under the National Resources Mobilization Act, men, single or childless widowers at July 15, 1940, between the ages of 19 and 45 and medically fit, are liable to military service. So far only men between the ages of 19 and 40 are being called. On December 15, 1942, it was announced married men between the ages of 19 and 25 would be called up.

Men engaged in farm work and certain essential industries are not usually liable for service.

No Canadian employer or employee can make any employment arrangement without first obtaining authority of the local office of National Selective Service. An employee has to submit his resignation seven days prior to leaving his job. An employer similarly must conform to this regulation. A copy of the written notice must be forwarded

to the local employment office. The employee is then given a separation slip and no employer can interview a prospective employee unless the applicant has a permit to look for employment from an employment office. No permits will be granted by this office unless the applicant has a separation slip, or can prove that he has been unemployed.

CANADA - U. S. CO-OPERATION

FOUR COMMITTEES have been formed for the most effective co-operation of Canada and the United States in war and peace:

Joint War Production Committee.

Joint Materials Co-ordinating Committee.

Joint Economic Committees.
Permanent Joint Board on Defence.

Canada is also a member of the Combined Resources and Production Board with Great Britain and the United States.

At Ogdensburg, New York, on August 17, 1940, Canada and the United States signed an agreement of joint defence and set up a Permanent Joint Board

to plan the defence of North America. This Board's plans form the basis of all joint defence activities.

Members of the Canadian section of the Board are: Chairman, Col. O. M. Biggar; Major-Gen. Maurice A. Pope, Air Vice-Marshal N. R. Anderson, and Rear-Admiral G. C. Jones; secretary, Dr. H. L. Keenleyside.

Two evidences of the Board's work have been the construction of the chain of air bases and the military highway to Alaska.

Formation of the Joint War Production Committee was announced November 5, 1941. The duty of this committee is to reduce duplication, arrange uniform specifications and quick exchanges of supplies, break transportation bottlenecks and exchange information. Ten technical sub-committees carry out the work of the committee.

Establishment of the Joint Materials Co-ordinating Committee was announced May 1, 1941. The committee promotes the movement of primary materials between the two countries; increases available supplies and

collects and exchanges information on raw material stocks in the United States and Canada.

The Joint Economic Committees were formed in June, 1941, to act in an advisory capacity to the governments at Ottawa and Washington in matters pertaining to the utilization of the resources of the two countries and in the study of post-war problems.

In April, 1941, the two countries reached an agreement known as the Hyde Park Declaration, by which the United States agreed to buy enough Canadian products to enable Canada to pay for essential imports from the United States.

This measure has proved effective and Canada is now paying to a large extent for imports by the sale of war supplies to the United States.

Canada is manufacturing \$1,000,000,000 of war material and equipment for the United States.

When the United States was short of optical glass for war purposes, Canada was able to supply it from her plants.

Shipment of Canadian lumber to the United States in 1942 approximated 1,300,000,000 board feet, or more than double the corresponding exports to that country in any year from 1932 to 1940 inclusive.

The first corvette built by Canada for the United States navy, the U.S.S. *Danville*, was launched in Montreal on November 9, 1942.

To co-ordinate policies of food production, and to supervise the preparation of information on Canada's food position, the Government has set up the Food Requirements Committee, which will work closely with the Combined Food Board of the United Kingdom and the United States.

In actual military operations Canadian and United States forces have served jointly in

Newfoundland, Iceland and Alaska.

R.C.A.F. units are fighting alongside United States air units in Alaska, Newfoundland and Labrador.

Canadian navigators, air gunners and wireless operators are serving temporarily in the United States Army Air Corps.

Canadian soldiers are teamed with United States troops in a Special Service Force. This combined group will provide the nucleus of a force for unified operation in any defensive or offensive operation.

The Special Service Force troops are given instruction in the use of parachutes, marine landings and mountain and desert warfare.

Canadian paratroops are trained at the large United States school at Fort Benning, Georgia.



SIGNIFICANT STATEMENTS

"THE LIGHT OF HOPE on the horizon should give us fresh courage for the task which lies ahead. Let there be no mistake. That task will be much more difficult and in all probability much longer than any of us begin to realize. As we stand at the threshold of another year our greatest danger is that of being carried away by recent successes, thereby permitting our hopes and wishes to get the better of our judgment. Although conditions have certainly improved we must not lose sight of the fact that the decisive battles have yet to be fought and won. As the areas of conflict close in, the fighting will increase in intensity and ferocity. For Canada, the coming year will see all our armed forces in action. We shall need to muster all our courage as well as all our strength. We may be called upon to pass through the greatest ordeal in our country's history."

Prime Minister W. L. Mackenzie King, in a New Year's message, Dec. 31, 1942.

"OUR FOURTH WARTIME CHRISTMAS and New Year finds us facing the future with more confidence and hope than any of its predecessors. It finds us still suffering fewer of the sacrifices and privations of war than we had any right to expect at this time. Our casualties have been mercifully light; our standard of living has remained remarkably high under the circumstances. Looking forward into the new year, we must and do anticipate heavier casualties and more economic privations than we had had heretofore. But we can face this prospect with a confidence and strength born of the realization that the heroism and sacrifice of our Allies have now won us the time we require for preparation, and that, given courage and determination, we can win our way through to victory."

Hon. J. L. Ilsley, Canadian Minister of Finance, in a Christmas and New Year message, Dec. 22, 1942.

"OUR TASK ON THIS NEW YEAR'S DAY is three-fold: First, to press on with the massed forces of free humanity until the present bandit assault upon civilization is completely crushed; second, so to organ-

ize relations among nations that forces of barbarism can never again break loose; third, to co-operate to the end that mankind may enjoy in peace and in freedom the unprecedented blessings which Divine Providence through the progress of civilization has put within our reach."

President Roosevelt in a message from Washington, New Year's Day, 1943.

"NOW NATIONAL UNITY is a sensitive plant and one that requires to be carefully tended in this northern half of our continent peopled mainly by the descendants of two great races, both proud of their ancestral traditions and culture, proud even of their rivalry and enmity in bygone years, different still in religion, in language and private laws, but placed nevertheless side by side in these new lands and confronted by the task of building a new nation founded upon equality, upon mutual trust and mutual respect.

"The plant has taken root, it has grown, and I am confident that it will become a sturdy tree which will afford shelter and protection to the offspring of many races."

Justice Minister St. Laurent, in an address at London, Ont., Dec. 10, 1942.

"IT IS NOW THREE YEARS since the British Commonwealth Air Training Plan was born. When I look back at the remorseless growth of the air forces of the United Nations and survey the shattering punishment we have already begun to inflict upon the enemy, I realize how much of our success is due to the great scheme which has been so energetically developed in Canada."

Prime Minister Churchill, on the third anniversary of the British Commonwealth Air Training Plan, Dec. 16, 1942.

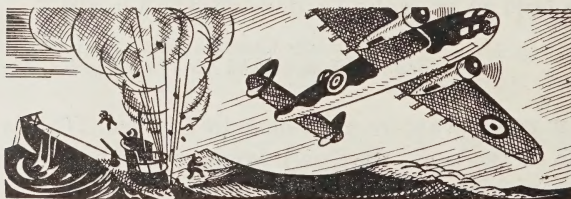
"INSTEAD OF TOTAL WAR, we must have total peace. This is a young man's war in the sense that only young men and young women are capable of withstanding the mental and physical strains which active service imposes on them. It will also be a young man's peace, for it must be founded on new ideals and new principles."

His Excellency the Earl of Athlone, Governor-General of Canada, at McMaster University Dec. 10, 1942.

NEW YEAR'S HONOURS LIST

AWARD	AIR			
	ARMY	NAVY	FORCE	TOTAL
<i>Companion of the Bath</i>	4	1	2	7
<i>Commander of the British Empire</i> 6	1	2	9	
<i>Officer of the British Empire</i>	17	10	5	32
<i>Member of the British Empire</i> ...	41	8	14	63
<i>British Empire Medal</i>	40	13	19	72
<i>Distinguished Service Cross</i>	—	2	—	2
<i>Distinguished Service Medal</i>	—	5	—	5
<i>Distinguished Flying Cross</i>	—	—	3	3
<i>Air Force Cross</i>	—	—	26	26
<i>Air Force Medal</i>	—	—	21	21
<i>Royal Red Cross (1st Class)</i>	3	—	—	3
<i>Royal Red Cross (2nd Class)</i>	6	—	2	8
<i>Mention in Despatches</i>	—	40	17	57
<i>Commendations</i>	—	—	23	23
TOTALS.....	117	80	134	331

(In addition the Polar Medal was awarded to eight members of the Royal Canadian Mounted Police.)



★ CANADA ★

AREA—3,694,863 square miles. POPULATION—11,500,000. CAPITAL—Ottawa. PROVINCES—Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, Alberta, British Columbia. FORM OF GOVERNMENT—Since the passing of the Statute of Westminster 1931, Canada has been a fully self-governing nation, freely associated with other members of the British Commonwealth of Nations and united with them by a common allegiance to the Crown. The actual government of Canada consists of the Prime Minister and the other members of the Cabinet, who are appointed by the Governor-General, the personal representative of the Crown, on the Prime Minister's recommendation. All the members of the Cabinet are members of one of the Houses of Parliament, almost always the House of Commons. The Cabinet is responsible to the House of Commons and must have the confidence of that House. The upper house, the Senate, has 96 members, appointed for life by the Governor-General on the recommendation of the Government. The House of Commons has 245 members, elected by popular vote. The present Prime Minister is the Rt. Hon. W. L. Mackenzie King. Legislative jurisdiction is divided between the provincial legislatures and the federal Parliament.

DECLARATIONS OF WAR—Sept. 10, 1939, Germany; June 10, 1940, Italy; Dec. 7, 1941, Finland, Rumania, Hungary, Japan. ARMED SERVICES—At the end of 1942 there were approximately: 49,000 in the Navy, 400,000 in the Army and 150,000 in the Air Force.

TRADE—Canada produces large surpluses of many agricultural, forest and mineral products and of hydro-electric power. Total trade (excluding gold): 1933, \$936,698,100; 1940, \$2,275,168,311; 1941, \$3,089,246,191. In 1942 total value of exports and imports exceeded \$4,000,000,000.

UNITED NATIONS—Canada was one of 26 nations signing the Declaration by the United Nations on January 1, 1942, at Washington, endorsing the principles and purposes embodied in the Atlantic Charter.



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